Backgrounder

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Center for Immigration Studies

Show Me the Money

How Government Funding Has Corrupted Refugee Resettlement

By Don Barnett

Over Veterans' Day last year 1,200 private charity staffers, lawyers, and lobbyists as well as federal, state, and local government officials converged on the Mayflower Hotel in Washington, D.C., for the largest annual conference ever held by the Office of Refugee Resettlement (ORR), a division of the Department of Health and Human Services (HHS).

In contrast to the media horde which was to descend on the Mayflower when Monica Lewinsky arrived two months later, not one reporter was there to cover the event. This lack of media curiosity is puzzling given the heightened visibility of refugees in the world today and the impact of the refugee resettlement program on immigration to the United States.

The conference centered on 60 workshops punctuated by speeches from a cabinet member, lobbyists, and federal agency directors, as well as a message from the Dalai Lama. Called "Becoming American: From Refugee to Citizen," the conference would more aptly have been named "Becoming American: Getting and Keeping Public Benefits."

Most of the workshops, to greater or lesser degrees, were "about the money" as one presenter put it; for three days the opulent hotel seemed to be carpeted with money from federal grants. (ORR alone has about 200 grants up for grabs according to its latest report to Congress.) Federal refugee aid runs from the general — a grant to "expose newcomers to American Social Services" — to the specific — a grant for "rehabilitative counseling for refugee men who are batterers." Beside the opportunity to learn how to qualify for refugee-specific grant money, there were workshops on how to tap into much broader federal initiatives. Health care programs, bilingual education, housing programs, federal money for crime fighting, and Justice Department civil rights attorneys are just some of the resources available to agencies resettling refugees in the United States.

In one session, a state welfare administrator explained how to minimize the impact of the new work requirements for refugee welfare recipients, while a county official explained how to avoid them altogether. In another workshop, conferees learned how to turn a donated mattress into federal money by giving the mattress a dollar value and then claiming a matching grant from the government under the Federal Match Grant program. Under this misnamed program, every dollar's worth of donated goods or volunteer time is matched by $1.40 from the federal government.

A financial analyst at HHS saw opportunities in the Children's Health Insurance Policy (CHIP), the

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five-year, $25 billion expansion of Medicaid that targets children of mothers leaving welfare for work. According to this expert, CHIP money can be used for refugee TB screening — even though all immigrants and refugees should be TB-free — since according to ORR "overseas screening for certain diseases, especially TB, has been found to be unreliable." In fact, The Centers for Disease Control (CDC), reports that the foreign born currently account for 39 percent of all TB cases in the United States and, if current trends continue, will account for over half of all cases within 10 years. The data for Hepatitis B are similar: the foreign born account for 40 to 60 percent of all cases. In addition, we are told that CHIP can be used to educate refugees about the dangers of female genital mutilation (FGM), though there was disagreement as to how to do this in a "culturally appropriate" manner. CDC recently estimated that more than 150,000 women and girls in the United States may be at risk for or have already been subjected to the operation. Conferees confirmed a back alley practice in the operation, which leads one to wonder just how safe America is for women fleeing FGM in their home countries.

"Linguistically and culturally appropriate" social services were a popular topic at the conference. The California state refugee office publishes its brochure on domestic violence in 11 languages, but according to the state refugee health coordinator even this is "linguistically and culturally" inadequate for the needs of newer refugee arrivals. In spite of the fact that even state refugee agencies seem unable to stay relevant, the conference panel on refugee health care suggested using the local Office of Civil Rights to sue hospitals for discrimination if they cannot provide services (including mental health) in the language of the person demanding those services. Meanwhile, HHS Director Donna Shalala urged participants to use refugee health problems as a cudgel in the fight for universal health care. (A commonly heard argument is that only free health care can guard against the threat of an epidemic.) Yet conference speakers discussed cases where free TB treatment was refused by refugees in the United States for "cultural" reasons and agreed that free U.S. government TB screening and treatment available to refugees before departure to the United States has clearly failed.

At the INS workshop, conference participants learned (from an INS employee no less) that "private" service providers, unlike government agencies, need not verify the legal status of the beneficiaries of their services, even though they are basically dispensing government benefits.

Charities on the Dole

The Voluntary Agencies (Volags) involved in refugee resettlement insist on calling themselves private charities. At one time this was true. Prior to the mid-1970s, refugee sponsorship was mostly the work of private charities, but with the Refugee Act of 1980 public funds have dominated all aspects of refugee resettlement. Even in the 1980s and early 1990s the Private Sector Initiative program allowed sponsoring organizations to bring over refugees if they were willing to cover costs of resettlement and support after arrival, but Volags, preferring to lobby for increased government support of refugees, shunned the private program and it was discontinued in 1995 for lack of use. Public money always drives out private money. Put another way by a state refugee official at the conference who asked not to be named: "Volags only do what the state pays for." The two largest Volags — U.S. Catholic Charities and the Hebrew Immigrant Aid Society — together received about $75 million in State Department and ORR funds for their U.S. operations alone in 1996, the last year for which data is available, and a Volag affiliate boasts in a publication that money "pours" in from local and state governments as well.

Public money always drives out private money. Or, as a state refugee official put it, "Volags only do what the state pays for."

Naturally this money is meant to be used to help refugees. But the Volags have astonishingly meager responsibilities for actual resettlement and support of the refugees they sponsor. The Volags do not even guarantee the federal loans made to the refugees for airfare to the United States. (Less than half of the loans made for this purpose since the 70's have been paid back, leaving an unpaid bill of $415 million.) Judging from this conference, their main function is to get refugees on federal welfare programs as soon as possible.

Every refugee resettled in the United States is assigned to one of 10 Volags, adding to that agency's headcount and therefore federal cash allotment. In many cases the Volag's responsibility for the refugees it sponsors is virtually nil, though in fairness it must be noted that a Volag often has little choice over individuals assigned to it. Refugee recruitment largely takes place independently of both the Volags and the U.S. government.

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Cheryl Smith, director of Sacramento County Social Services, describes a Pentecostal church that expands its membership through missionary activity in Ukraine. The church members are initially placed in cities around the United States by the State Department and the Volags. But with their true destination the community that first contacted them, the religious refugees quickly undertake a second migration to Sacramento, leaving the Volag "sponsor" a mere observer rather than a participant with a stake in the process. In the case of the Pentecostal church, the pastor, church leadership, and most of the members are dependent on welfare, as is the whole informal refugee sponsorship network. In this case it was Pentacostals, but according to the FBI about 2,000 Russian organized crime operatives had been sponsored into the country on the refugee program by 1996. (Another 2,000 arrived illegally.)

Bullish on Citizenship

Citizenship was the theme of this year's conference. Promoted in clinics paid for with tax dollars, it was touted as a way to maintain access to federal benefit programs. Refugees are exempt for seven years from the bar on welfare usage that applies to other new immigrants. After seven years, they must become citizens in order to maintain access to some federal benefits. State and local agencies prefer dependence on federal programs over dependence on local programs. Accordingly, both private and governmental agencies use tax dollars in citizenship drives for everything from coaching to transportation and INS processing fees. Mass mailings inform noncitizen welfare recipients of the need to naturalize in order avoid losing their entitlements. State programs, such as the Massachusetts Citizenship Assistance Program, target those "who are receiving state-funded benefits that could be replaced with federal benefits were they to become citizens." The state has set up a 24-hour hotline to reach this segment of the population with its message about the advantages of citizenship.

Recognizing the new value of citizenship, the Volags have also leveraged their tax dollars to promote citizenship — U.S. Catholic Charities uses Americorp staff for the task. One agency offers a brochure on how to qualify as disabled for purposes of taking the simplified citizenship exam in one's own language. In a reversal of traditional notions of citizenship, the more mentally incompetent the applicant is, the easier it is to gain citizenship.

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Welfare Matters

Legally, refugees and asylees are eligible for all welfare on the same basis as U.S. citizens within 30 days of arrival. (Asylees are those who are already in the United States when they seek the right of permanent U.S. residency based on a claim that they would be persecuted if returned home.) A 1996 federal study of refugees arriving in the previous five years found that 46 percent of refugee households were receiving cash assistance. Approximately 48 percent of the households received food stamps. About 12 percent of refugee households were in public housing with possibly another 12 percent on waiting lists for public housing or Section 8 housing. These figures are quite startling in view of the fact that 75 to 80 percent of refugee arrivals are joining family members who settled in previous waves.

Total welfare usage by refugees cannot be determined. Three years after welfare reform, however, there are about 203,000 *noncitizen* refugees and their children receiving federal cash assistance through TANF and/or SSI in California alone. No one knows the number of citizen refugees receiving federal cash assistance in California because it is not tracked, but it could be equal to or greater than the number of dependent noncitizen refugees. Further, based on studies that track welfare usage for five years after arrival, refugees typically use local general assistance cash at even higher levels than either TANF or SSI. California is home to about a quarter of the nation's refugees. Generalizing to the rest of the nation is risky, but the California data suggest that substantial long-term welfare dependence is the norm for many refugees. Without welfare there would be no refugee resettlement program as we know it.

A Break with American Tradition

Dismantling private sponsorship has changed the basic assumptions that guaranteed the integrity of earlier refugee resettlement. First, it obviated the need to integrate refugees as soon as possible into the language, economy, and host community. The usual incentives and disincentives do not function when cash, food, housing, and medical care are available upon arrival. Perhaps most importantly it has induced many to immigrate who otherwise would never have entertained the notion, furthering the development of enclaves of those who cannot or will not assimilate. It also raised politics and management of public opinion to new levels — "controlling the agenda" was one of the themes at this year's conference. At a strategy session of refugee advocates and publicists

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at another conference I attended, an attorney leading the session explained that winning public opinion and congressional support depended on controlling the terms of the debate. Fencing discussion in with a framework of "refugees" who are always "fleeing for their lives" shuts down the opposition every time. When I pointed out that the very use of the term "refugee" for most of those entering on the refugee program was an example of controlling and defining the terms of the debate he readily agreed, and went on to say that many staffers at his own resettlement agency refuse to use the term "refugee" and pointedly refer to the new arrivals as "those people."

Volags are calling for a refugee admission ceiling of 111,000, an increase of 44 percent over current numbers, arguing in part that larger numbers are necessary to justify overhead and staff in the private charities.

There needn't be any worry over media treatment of the subject. Such reporting as there is consists mainly of stories about mistreatment of individuals at the hands of the immigration system. The overwhelming impression from media accounts, for instance, is that asylee flows have been choked down to a trickle by draconian new laws and that innocent applicants are being thrown in jail or deported to life threatening situations at home. *The New York Times,* analyzing a six-month period of immigration data, reported in June of 1998 that "from August of last year through the end of January… 1,300 new arrivals expressed a fear to return home. Of those, 1066 were sent to detention; the rest were deported." Nowhere does the article state that this data relates only to the tiniest source of asylum applications — those who show up at airports without valid documents and file for asylum. Most asylum seekers apply after their temporary visas expire or after successfully entering the country on bogus documents. In fact, about 59,000 new applications for asylum were made in 1997. This represents about 88,500 individuals, far exceeding the expected flow implied in the law and not including an additional 30,000 whose applications from previous years were reconsidered under appeal. Annual asylum applicants exceed the number implied in the *Times* article by a factor of 34. Less than 5 percent of asylum applicants are ever held in detention and those that are spend an average of less than three months in detention. In addition, they have the right to withdraw their applications and return home at any time.

Let My People In

If public discussion of the refugee program skims from one cliché to the next, writings not meant for public consumption reveal a Hobbesian struggle for influence over the program. A Russian activist group, in a 1998 appeal to members about the forthcoming "battle for the refugee quota" writes: "Lobbyists from Asian countries and Eastern Europe (particularly those from Poland) are seeking to bring in their own people in order to increase the size of their ethnic groups… it's the same picture when it comes to distributing federal, state, and local government resources. We need 'warriors' with legal and administrative skills and experience in American government who are dedicated to the community." As reported by the *Washington Forward*, the then Democratic Counsel for the House immigration subcommittee, Marina Hone, whose office wants more African refugees, says "One thing that has struck us are the disparities and inconsistencies in U.S. immigration law.... If we want a system that is a fair and unambiguous system, we need refugee allocations that are roughly proportional to the population on the ground." Alluding to the "battle for the refugee quota," she goes on to say that "folks would like to see the black community and the Jewish community at odds over this and it's not happening. No one thinks you need to help Africans at the expense of helping Soviet Jews." The *Forward* also reports that a black-Jewish crisis could occur if the quota of one group was lowered to accommodate the demands of the other group, hence agreement on all sides to work together to increase the overall quota. Assistant Secretary of State for the Bureau of Population, Refugees, and Migration Julia Taft announced at this year's conference that the refugee resettlement would henceforth be more diverse and representative of the world's refugees.

Both refugee and asylee numbers have already vastly outstripped all projections made when the 1980 Refugee Act was signed. Public sponsorship allowed numbers to go much higher than would have been possible with private sponsorship and removed all effective controls over the process except for the political. Maybe that's why in most cases group preferences and family-

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chain migration have replaced persecution as the engine of refugee migration to the United States.

In FY 1998, about 77,000 refugees were resettled permanently to the United States, not including 20,000 Cubans who arrived with most of the same rights and entitlements as refugees. Additionally, though final numbers are unavailable, new applications for asylum were filed for at least 80,000 individuals in 1998. (These figures do not include recent "one-time" amnesties for 200,000 Central Americans, Cubans and Haitians, temporary protected status for certain nationals who have overstayed their visas, or smaller humanitarian immigration programs.)

In a December 1998 letter to the State Department, Sen. Spencer Abraham (R-Mich.), Senate immigration subcommittee chair, along with Sens. Orrin Hatch (R-Utah), Ted Kennedy (D-Mass.), and Patrick Leahy (D-Vt.), argued for a refugee flow of 90,000 to 100,000 (not including Cubans and other humanitarian admissions) as it reflects "America's great traditions" and represents a small proportion of overall immigration anyway.

The main Volags are calling for a refugee admission ceiling of 111,000, an increase of 44 percent over current numbers, arguing in part that larger numbers are necessary to justify overhead and staff in the private charities.

Many of the jobs they are trying to protect are held by the new arrivals themselves. Refugee resettlement has grown into a substantial public/private enterprise directly employing thousands and equaling if not exceeding the U.S. foreign aid budget in its demands for public money when the cost of long-term public assistance is counted. Indeed the private and the public are hardly distinguishable. Julia Taft, formerly the director of the consortium of private charities requesting an increase in the annual refugee quota is now the director of the State Department bureau that makes the U.S. government's recommendation for that quota. According to federal and state sources, the second in charge at ORR recently left his government job for a position as the Executive Vice President at the largest resettlement agency, at an annual salary in excess of $200,000 per year.

There is nothing new about a federal program that has gone off the tracks. The circular arrangements that make the refugee program work characterize many of our public institutions, but few share the refugee program's potential to so radically change America. ("We are re-inventing America!" proclaimed a speaker.)

From the Mayflower to the Mayflower Hotel

There was much to celebrate at this year's ORR conference and the mood was positively exultant. The refugee resettlement program, protected by an impenetrable shell of myth and supported by a diverse set of interlocking interests and coalitions, could count on continued congressional support. Lobbying efforts to overturn some of the welfare reforms that affected immigrants had paid off and there was every reason to believe more concessions were on the way.

The reality of life in a refugee camp hardly intruded on the sumptuous meals and cocktail hours at the Mayflower hotel. There was a Veteran's Day moment of silence, but the only veterans mentioned were the conferees themselves — "veteran refugee workers" and Red Army vets living in Brooklyn who won a great victory when their welfare/Medicaid was restored. It was a fitting symbol for much of the refugee program today.

Refugees Admitted to the United States, FY 1990 - 1998

	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998
Total	**119,317**	**111,022**	**131,291**	**119,231**	**112,682**	**99,490**	**75,693**	**70,085**	**76,554**
East Asia	51,611	53,486	51,848	49,858	43,581	36,926	19,235	8,590	10,848
Near East/S. Asia	4,991	5,539	6,844	7,000	5,861	4,464	3,788	3,990	3,197
USSR & E. Europe	56,912	45,516	64,184	51,278	50,947	45,703	41,617	48,450	54,260
Africa	3,494	4,424	5,491	6,969	5,856	4,779	7,512	6,069	6,662
Latin America	2,309	2,237	2,924	4,126	6,437	7,618	3,541	2,986	1,587

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Writer Don Barnett explores how public money has driven out private money in refugee resettlement, a development which changed the basic assumptions that guaranteed the integrity of earlier refugee resettlement. This allowed numbers to go much higher than would have been possible with private sponsorship by removing all effective controls over the process except for the political. Without welfare, Barnett writes, there would be no refugee resettlement program as we know it.

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